

**§ 550.90 What information must I include in my application?**

You must describe the fiduciary powers that you or your affiliate will exercise. You must also include information necessary to enable the OTS to make the determinations described in § 550.100.

**§ 550.100 What factors may the OTS consider in its review of my application?**

The OTS may consider the following factors when reviewing your application:

- (a) Your financial condition.
- (b) Your capital and whether that capital is sufficient under the circumstances.
- (c) Your overall performance.
- (d) The fiduciary powers you propose to exercise.
- (e) Your proposed supervision of those powers.
- (f) The availability of legal counsel.
- (g) The needs of the community to be served.
- (h) Any other facts or circumstances that the OTS considers proper.

**§ 550.110 Who will act on my application?**

The Director of OTS may act on any application. The Regional Director may act on an application if it does not raise any significant issues of law or policy on which the OTS has not taken a formal position.

**§ 550.120 What action will the OTS take on my application?**

The OTS may approve or deny your application. If your application is approved, the OTS may impose conditions to ensure that the requirements of this part are met.

### Subpart B—Exercising Fiduciary Powers

**§ 550.130 What fiduciary powers may I exercise?**

You may exercise only those fiduciary powers specified in the OTS approval under § 550.120. Unless otherwise provided in the approval, you may exercise fiduciary powers only from those offices listed in the application.

**§ 550.140 Must I adopt and follow written policies and procedures in exercising fiduciary powers?**

You must adopt and follow written policies and procedures adequate to maintain your fiduciary activities in compliance with applicable law. Among other relevant matters, the policies and procedures should address, where appropriate, the following areas:

- (a) Your brokerage placement practices.
- (b) Your methods for ensuring that your fiduciary officers and employees do not use material inside information in connection with any decision or recommendation to purchase or sell any security.
- (c) Your methods for preventing self-dealing and conflicts of interest.
- (d) Your selection and retention of legal counsel who is ready and available to advise you and your fiduciary officers and employees on fiduciary matters.
- (e) Your investment of funds held as fiduciary, including short-term investments and the treatment of fiduciary funds awaiting investment or distribution.

## FIDUCIARY PERSONNEL AND FACILITIES

**§ 550.150 Who is responsible for the exercise of fiduciary powers?**

The exercise of your fiduciary powers must be managed by or under the direction of your board of directors. In discharging its responsibilities, the board may assign any function related to the exercise of fiduciary powers to any director, officer, employee, or committee of directors, officers, or employees.

**§ 550.160 What personnel and facilities may I use to perform fiduciary services?**

You may use your qualified personnel and facilities or an affiliate's qualified personnel and facilities to perform services related to the exercise of fiduciary powers.

**§ 550.170 May my other departments or affiliates use fiduciary personnel and facilities to perform other services?**

Your other departments or affiliates may use fiduciary officers, employees,